Statement

Central Government concurrence to grant of mining leases in different States during the year 2000-2001 and 2001-2002 (upto 15.3.2002)

Sl. No.	Name of the State	2000-2001	2001-02 (upto 15.3.2002)
1.	Andhra Pradesh	12	6
2.	Bihar	1	—
3.	Gujarat	—	5
4.	Karnataka	7	2
5.	Madhya Pradesh	5	—
6.	Maharashtra	11	9
7.	Orissa	8	5
8.	Rajasthan	5	10
9.	Sikkim	—	1
10.	Tamil Nadu	50	17
11.	Chhattisgarh	—	1
	GRAND TOTAL:	99	56

Mineral Concession Rules

*251. SHRI K. RAMA MOHANA RAO: Will the Minister of COAL AND MINES be pleased to state:

(a) whether Government have amended the Mineral Concession Rules, 1960 and Mineral Conservation and Development Rules, 1988 respectively;

(b) whether any consultations were held before amending the Rules for removing bottlenecks and paving the way for further investment in mining sector;

(c) if so, what is the outcome of the consultations/meetings held;

(d) Whether Government are thinking of 100 percent foreign

equity in coal and mines sector; and

(e) if so, the reasons therefor?

THE MINISTER OF COAL AND MINES (SHRI RAM VILAS PASWAN): (a) to (c) A tripartite meeting of the Central Government, State Governments and investors in the mining sector was held on 12.11.2001 at New Delhi. Earlier to this a Conference of State Ministers of Mining and Geology and Central Government was held on 14.7.2001. In both these meetings suggestions were made and decision taken for removing the operational bottlenecks particularly as regard to fixing time frames for disposal of the applications of mineral concessions, and paving the way for further investment in the mining sector.

In pursuance of the decisions taken in the aforesaid meetings, the Central Government amended the Mineral Concession Rules, 1960 and Mineral Conservation and Development Rules, 1988 by two Notifications both dated 11.1.2002, copies of which were laid on the table of the House on 13.3.2002.

(d) and (e) All proposals for foreign equity participation upto 100 percent in the mining sector are now eligible for automatic approval, except for precious stones and diamonds, for which automatic approval for foreign equity participation upto 74% is permissible and also except for fuel and atomic minerals, for which a separate foreign direct investment policy applies. In case of precious stones and diamonds, foreign equity upto 100 per cent can be allowed by Foreign Investment Promotion Board (FIPB) on case to case basis.

As far as foreign equity participation in coal mining is concerned foreign equity participation upto 100 percent is permissible in case of captive coal mines for power projects. For captive coal mines for cement & iron and steel projects, foreign equity participation upto 74% is permissible. In all these cases of captive mines upto 50% foreign equity is permissible through the automatic route.